Application No.: 09/777,467 Docket No.: M1912.0021

REMARKS

Claims 1-21 are pending in this application. Claims 1, 2, 4-6, 10, 11, 13-17 and 19-21 stand rejected and claims 3, 12, and 18 are objected to. Applicant wishes to thank the Examiner for the indication of allowance of claims 7-9, and the indication of allowable subject matter in claims 3, 12, and 18. By this Amendment, claims 1, 10, 11, 16, and 17 have been amended. In light of the amendments and remarks set forth below, Applicant respectfully submits that each of the pending claims is in immediate condition for allowance.

Each of independent claims 1, 2, 10, 11, 16, and 17 stand rejected under 35 U.S.C. § 102(b) as being unpatentable over U.S. Patent No. 6,266,482 ("Yagasaki"). Applicant respectfully traverses this rejection.

To anticipate a claim under 35 U.S.C. § 102, the cited reference must disclose every element of the claim, as arranged in the claim, and in sufficient detail to enable one skilled in the art to make and use the anticipated subject matter. See, PPG Industries, Inc. v. Guardian Industries Corp., 75 F.3d 1558, 1566 (Fed. Cir. 1996); C.R. Bard, Inc. v. M3 Sys., Inc., 157 F.3d 1340, 1349 (Fed. Cir. 1998). A reference that does not expressly disclose all of the elements of a claimed invention cannot anticipate unless all of the undisclosed elements are inherently present in the reference. See, Continental Can Co. USA v. Monsanto Co., 942 F.2d 1264, 1268 (Fed. Cir. 1991).

Among the limitations of independent claims 1, 10, 16, and 17 not present in Yagasaki is "wherein at least one of the orthogonal transform coefficients is changed to zero."

In Yagasaki, using a DCT process, the pixels in an 8x8 matrix are orthogonally transformed using DCT compression into a frequency-based signal having DCT coefficients. The DCT coefficients correspond to the signal power of the pixels in

Application No.: 09/777,467 Docket No.: M1912.0021

the 8x8 matrix and are arranged in a DCT block in ascending order of frequency. Key data is inserted into the blocks of the I-frame to prevent copying. The DCT blocks are encoded using the key data. The data in the second block is changed to match the key data in the first block. A third block contains correction data which corrects an anomaly caused during the compression of the DCT blocks arising from the insertion of the key data.

In contrast, as explicitly recited in Applicant's claim, orthogonal transform coefficients for every block are decoded depending on attribute information relative to copying restrictions of the digital contents. Further, at least one of the changed orthogonal transform coefficients is changed to zero. This change of the orthogonal transform coefficients to zero is not disclosed in Yagasaki. Therefore, Applicant respectfully requests reconsideration and withdrawal of the rejection in light of Yagasaki.

Claims 4-6 depend from, and contain all the limitations of claim 2. These dependent claims also recite additional limitations which, in combination with the limitations of claim 2, are neither disclosed nor suggested by Yagasaki and are also believed to be directed towards the patentable subject matter. Thus, claims 4-6 should also be allowed.

Claims 13-15 depend from, and contain all the limitations of claim 11. These dependent claims also recite additional limitations which, in combination with the limitations of claim 11, are neither disclosed nor suggested by Yagasaki and are also believed to be directed towards the patentable subject matter. Thus, claims 13-15 should also be allowed.

Claims 19-21 depend from, and contain all the limitations of claim 17. These dependent claims also recite additional limitations which, in combination with the

Application No.: 09/777,467 Docket No.: M1912.0021

limitations of claim 17, are neither disclosed nor suggested by Yagasaki and are also believed to be directed towards the patentable subject matter. Thus, claims 19-21 should also be allowed.

Applicant has responded to all of the rejections and objections recited in the Office Action. Reconsideration and a Notice of Allowance for all of the pending claims are therefore respectfully requested.

In view of the above, each of the presently pending claims in this application is believed to be in immediate condition for allowance. Accordingly, the Examiner is respectfully requested to withdraw the outstanding rejection of the claims and to pass this application to issue.

If the Examiner believes an interview would be of assistance, the Examiner is welcome to contact the undersigned at the number listed below.

Dated: September 2, 2005

Respectfully/s/w/mitted

Ian R. Blum

Registration No.: 42,336

DICKŠTEIN SHAPIRO MORIN & OSHINSKY

LLP

1177 Avenue of the Americas New York, New York 10036-2714 (212) 835-1400

Attorney for Applicant

IRB/mgs